

NATIONAL MEDIATION BOARD

ANNUAL PERFORMANCE
AND ACCOUNTABILITY
REPORT FY2012

CHAIRMAN'S LETTER

ABOUT THE NMB

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NOVEMBER 14, 2012

The National Mediation Board (NMB) is an independent federal agency charged with collective-bargaining, representation and grievance disputes in two of the nation's key transportation sectors: the railroads and airlines. The agency is headed by a three-member board, nominated by the President and confirmed by the Senate.

Much of the agency's Representation work during FY 2012 involved taking steps to implement amendments made to the Railway Labor Act by the Federal Aviation Administration Modernization and Reform Act of 2012. A public hearing was held in June, 2012, and comments were accepted until August 6, 2012. The Office of Representation Services continued to process investigations and elections in a timely manner, and provided legal assistance to President Obama's Presidential Emergency Board, noted below.

In the face of extraordinary circumstances, the Office of Mediation Services has continued to manage mediation and alternative dispute resolution cases well within the agency's performance targets. Complex merger and bankruptcy situations involving some of the nation's largest airlines have made work with the airlines challenging, and the railroads' national handling of collective bargaining offered another challenge. In cases involving the five largest U.S. railroads and numerous short-line and regional railroads, President Obama named a Presidential Emergency Board, the actions of which led to agreements, avoiding critical and widespread railroad-service interruptions. All of these challenges notwithstanding, the NMB Mediation staff closed 46 cases in FY 2012, the highest number since FY 2007.

The agency's Arbitration department continued to implement processes and technologies aimed at reducing the number of aged cases. In this regard Grievance Mediation was actively promoted and successfully utilized as an alternative to arbitration. FY 2012 saw the full implementation of the online Arbitrator Workspace, creating an easy-to-access portal for the arbitrators and the parties, and bringing the NMB into compliance with GAO determinations regarding arbitration case management. Arbitration cases pending at the end of FY 2012 were the fewest in NMB history.

During FY 2012, key and on-going areas of administrative improvement included NMB hiring and new-hire verification procedures; moving the agency's information-technology operations to Internet-based facilities; and moving to a newer and more robust budget and accounting system.

This Performance and Accountability Report includes a comprehensive set of performance Goals and Results pursuant to the Government Performance and Results Act. Also incorporated, as required, are the NMB Financial and Management Assurances reports. Because the NMB is not subject to the CFO Act, this Annual Report may not contain some of the information required of CFO Act agencies.



HARRY R. HOGLANDER
Chairman